

DEPARTMENT OF THE INTERIOR AND RELATED  
AGENCIES APPROPRIATIONS FOR 1959

T-1/52

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

U.S. ~~CONGRESS~~ HOUSE  
COMMITTEE ON APPROPRIATIONS  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH CONGRESS

SECOND SESSION

K37

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SUBCOMMITTEE ON DEPARTMENT OF THE INTERIOR AND  
RELATED AGENCIES

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(except Bonneville Power Administration, Bureau of Reclama-  
tion, Southeastern Power Administration, and Southwestern  
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Federal Coal Mine Safety Board of Review

Forest Service

Indian Claims Commission

National Capital Planning Commission

Smithsonian Institution

Virgin Islands Corporation

Printed for the use of the Committee on Appropriations



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The Bureau of the Budget has advised us that there is no objection to the submission of this report.  
Sincerely yours,

FRED A. SEATON,  
Secretary of the Interior.

### REVOLVING FUND FOR LOANS AND INDIAN TRIBAL FUNDS

#### Program and financing

|  | 1957 actual       | 1958 estimate    | 1959 estimate     |
|--|-------------------|------------------|-------------------|
| <b>Program by activities:</b>                          |                   |                  |                   |
| Operations (obligations): Administrative expenses..... | \$314,121         | \$499,000        | \$524,000         |
| Capital outlay: Acquisition of loans.....              | 2,202,873         | 1,500,250        | 4,350,000         |
| <b>Total program (obligations).....</b>                | <b>2,516,994</b>  | <b>1,999,250</b> | <b>4,874,000</b>  |
| <b>Financing:</b>                                      |                   |                  |                   |
| Amounts becoming available: Revenue and receipts:      |                   |                  |                   |
| Collection of loans.....                               | 2,017,882         | 1,500,000        | 3,600,000         |
| Interest on loans.....                                 | 181,997           | 130,000          | 200,000           |
| Cattle settlements.....                                | 429,770           | 100,000          | 200,000           |
| <b>Total amounts becoming available.....</b>           | <b>2,629,649</b>  | <b>1,730,000</b> | <b>4,000,000</b>  |
| Unobligated balance brought forward.....               | 7,832,979         | 7,945,634        | 7,676,384         |
| <b>Total amounts available.....</b>                    | <b>10,462,628</b> | <b>9,675,634</b> | <b>11,676,384</b> |
| Unobligated balance carried forward.....               | -7,945,634        | -7,676,384       | -8,802,384        |
| <b>Financing applied to program.....</b>               | <b>2,516,994</b>  | <b>1,999,250</b> | <b>4,874,000</b>  |

### TRIBAL FUNDS

#### Program and financing

|   | 1957 actual       | 1958 estimate     | 1959 estimate     |
|---|-------------------|-------------------|-------------------|
| <b>Program by activities:</b>   |                   |                   |                   |
| 1. Permanent authorizations:  |                   |                   |                   |
| (a) Payments to Indian tribes.....  | \$31,918,345      | \$36,603,232      | \$24,804,631      |
| (b) Miscellaneous tribal activities.....  | 14,129,377        | 22,196,623        | 14,092,417        |
| 2. Annual authorizations:   |                   |                   |                   |
| (a) Education and welfare services.....   | 153,436           | 192,029           | 188,626           |
| (b) Resources management.....   | 521,068           | 648,737           | 737,639           |
| (c) Construction and land acquisition.....  | 16,578            | 66,300            | 64,400            |
| (d) General tribal affairs.....   | 1,377,302         | 1,643,989         | 2,009,335         |
| 3. Indefinite authorizations: Advances to Indian tribes.....                                  | 2,443,160         | 23,293,725        | 2,152,724         |
| <b>Total operating costs.....</b>   | <b>50,559,266</b> | <b>84,644,635</b> | <b>44,049,772</b> |
| 4. Reimbursable costs: Revolving tribal credit funds.....                                     | 160,801           | 200,000           | 200,000           |
| <b>Total program costs, funded.....</b>   | <b>50,720,067</b> | <b>84,844,635</b> | <b>44,249,772</b> |
| 5. Relation of costs to obligations:  |                   |                   |                   |
| Costs financed from obligations of other years (decrease in undelivered orders), net (-)..... | -381,931          |                   |                   |
| Obligations incurred for costs of other years (decrease in undelivered orders), net.....      |                   | 368,945           |                   |
| <b>Total program (obligations).....</b>   | <b>50,338,136</b> | <b>85,213,580</b> | <b>44,249,772</b> |
| <b>Financing:</b>   |                   |                   |                   |
| Unobligated balance brought forward.....  | 94,638,620        | 148,912,926       | 134,079,346       |
| Receipts:   |                   |                   |                   |
| Various tribal funds.....   | 104,271,795       | 70,000,000        | 70,000,000        |
| Licenses under Federal Power Act from Indian reservations.....                                | 179,846           | 180,000           | 180,000           |
| Reimbursements from non-Federal sources (25 U. S. C. 470).....                                | 160,801           | 200,000           | 200,000           |
| Unobligated balance carried forward.....  | -148,912,926      | -134,079,346      | -160,209,574      |
| <b>Total financing.....</b>   | <b>50,338,136</b> | <b>85,213,580</b> | <b>44,249,772</b> |

### Object classification

|  | 1957 actual        | 1958 estimate      | 1959 estimate      |
|--|--------------------|--------------------|--------------------|
| <b>Direct obligations:</b>                       |                    |                    |                    |
| Total number of permanent positions.....         | 315                | 313                | 314                |
| Full-time equivalent of all other positions..... | 412                | 370                | 388                |
| Average number of all employees.....             | 696                | 652                | 671                |
| Number of employees at end of year.....          | 279                | 400                | 400                |
| <b>Average GS grade and salary.....</b>          | <b>5.1 \$4,207</b> | <b>5.2 \$4,279</b> | <b>5.2 \$4,292</b> |
| <b>Average salary of ungraded positions.....</b> | <b>\$4,623</b>     | <b>\$4,720</b>     | <b>\$4,720</b>     |
| <b>01 Personal services:</b>                     |                    |                    |                    |
| Permanent positions.....                         | \$1,210,265        | \$1,224,490        | \$1,236,733        |
| Positions other than permanent.....              | 1,451,380          | 1,302,770          | 1,368,728          |
| Other personal services.....                     | 14,558             | 29,533             | 28,582             |
| <b>Total personal services.....</b>              | <b>2,676,203</b>   | <b>2,556,793</b>   | <b>2,634,043</b>   |
| 02 Travel.....                                   | 65,792             | 61,450             | 60,375             |
| 03 Transportation of things.....                 | 54,275             | 51,342             | 49,450             |
| 04 Communication services.....                   | 18,427             | 17,471             | 16,372             |
| 05 Rents and utility services.....               | 20,951             | 20,500             | 21,635             |
| 06 Printing and reproduction.....                | 3,860              | 3,500              | 3,500              |
| 07 Other contractual services.....               | 883,470            | 884,843            | 870,491            |
| 08 Supplies and materials.....                   | 992,766            | 980,375            | 981,345            |
| 09 Equipment.....                                | 84,230             | 80,432             | 82,650             |
| 10 Lands and structures.....                     | 16,578             | 66,300             | 64,400             |
| 11 Grants, subsidies, and contributions.....     | 43,487,081         | 78,253,359         | 37,180,353         |
| 15 Taxes and assessments.....                    | 560,242            | 450,000            | 520,000            |
| 16 Investments and loans.....                    | 1,342,737          | 1,623,140          | 1,600,000          |
| <b>Subtotal.....</b>                             | <b>50,206,612</b>  | <b>85,049,505</b>  | <b>44,084,614</b>  |
| Deduct quarters and subsistence charges.....     | 29,277             | 35,925             | 34,842             |
| <b>Total direct obligations.....</b>             | <b>50,177,335</b>  | <b>85,013,580</b>  | <b>44,049,772</b>  |
| <b>Reimbursable obligations:</b>                 |                    |                    |                    |
| 16 Investments and loans.....                    | 160,801            | 200,000            | 200,000            |
| <b>Total obligations.....</b>                    | <b>50,338,136</b>  | <b>85,213,580</b>  | <b>44,249,772</b>  |

### JUSTIFICATION OF THE ESTIMATE

Mr. KIRWAN. We will insert pages 176, 177, and 179 to 181 in the record at this point.

(The matter referred to follows:)

### REVOLVING FUND FOR LOANS

The revolving fund for loans is used to assist Indians in acquiring livestock, farm, and other equipment and in establishing tribal enterprises (25 U. S. C. 470, 471, 631). This fund and miscellaneous tribal funds provide the only source of loans for the great majority of Indians who cannot borrow from ordinary commercial credit sources because of their low economic status and lack of bankable security.

In 1959, loans are estimated at \$4.35 million, and repayments at \$3.6 million; as compared with \$1.5 million made and \$1.5 million repaid in 1958; compared with \$2.2 million made and \$2 million repaid in 1957. As of June 30, 1957, the principal of the fund amounted to \$16.27 million, consisting of \$13.8 million appropriated, and \$2.47 million cattle settlements. Cattle settlements are payments made by the Indians for breeding stock furnished by the Government generally prior to establishment of this fund.

The deficit is a result of a small interest income in the early years of operations and accumulated administrative expenses paid from the principal fund. Administrative expenses of \$524,000 are included in the 1959 estimate.